



Exhibition Place

Item No. 13

December 4, 2012

To: Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young, Chief Executive Officer

Subject: **The Royal Agricultural Winter Fair, Administrative Offices Lease**

Summary:

This report recommends a new three-year lease between the Royal Agricultural Winter Fair (RAWF) and the Board for office space in the Coliseum Building.

Recommendation:

It is recommended that the Board enter an agreement with the RAWF for use of office space in the Coliseum Building for a period of three (3) years, from January 1, 2013 to December 31, 2015, on the terms and conditions outlined in this report, and such other terms as required by the Chief Executive Officer and City Solicitor.

Financial Impact:

There is no financial impact as the terms and conditions proposed are the same as in the previous lease agreement with nominal rent.

Decision History:

At its meeting of December 4, 2009, the Board approved of a three-year agreement with the RAWF with respect to use of its year-round office space in the Coliseum Complex. This agreement expires on December 31, 2012.

Issue History:

The RAWF has been operating in office space located on the second level of the Coliseum Building of approximately 17,644 SF, which is comprised of approximately 10,642 SF of office space; the Agricultural Hall of Fame Offices, comprising of approximately 1,382 SF; the President's Room, comprising of approximately 2,523 SF; the Tanbark Room, comprising of approximately 1,046 SF; the Bird Room, comprising of approximately 1,856 SF; and approximately 5,900 SF of storage space, as well as outdoor surface parking for four (4) semi-trailers.

Comments:

The present lease between the Board and RAWF expires December 31, 2012 and the RAWF wish to renew their lease with the Board for a period of three (3) years. The substantial terms

being recommended, which are based on the same terms and conditions as its present lease agreement, are as follows:

- a) Term: Three years commencing January 1, 2013.
- b) Premises: As described above.
- c) Rent: One dollar per annum plus payment of all utility costs, any other associated occupancy costs;
- d) Permitted Uses: Office or administrative uses connected with objects of RAWF;
- e) Insurance: Property and liability insurance with limits of \$2 million in a form satisfactory to the City;
- f) Use of Direct Energy Centre space for annual fair: RAWF will enter into a standard Direct Energy Centre license agreement and will abide by all terms and conditions, policies, rules and regulations as set out in that License Agreement for the purpose of executing the annual Royal Agricultural Winter Fair;
- g) Parking: The Board will provide up to a maximum of 55 parking passes at no charge to the RAWF for the RAWF's permanent full-time staff to access designated parking facilities at Exhibition Place which shall be valid throughout the term of the Lease save and except for the period of the Honda Indy and the Canadian National Exhibition when parking passes may be restricted and/or a fee may be imposed. In addition, the Board will provide a maximum of 100 daily passes for each of the event days of the annual Royal Agricultural Winter Fair to be used by the volunteers of the RAWF and a reduced parking rate for advance bulk purchases of parking passes for RAWF suite holders;
- h) Tickets to the Horse Show: The RAWF will provide the Board with 12 tickets for the Board's suite (Suite No. 12) at the Ricoh Coliseum for Horse Show performances to be held on Fridays, Saturdays and Sundays during the annual Royal Agricultural Winter Fair. Such tickets will be the only ones required to be provided by the RAWF with respect to Suite 12 and no other tickets will be provided free of charge to the Board or any other party for Suite 12;
- i) City Annual Grant: The parties agree that the RAWF shall, with the support of the Board, apply to City Council for an annual grant, and that the RAWF shall be solely entitled to the receipt of any grant monies awarded by the City provided that the RAWF shall apply such annual grant monies against the payment of the licence fees for use of Direct Energy Centre as identified in paragraph (f) above;
- j) Waterfront Clause: The Tenant shall familiarize itself with the Central Waterfront Secondary Plan and/or the initiatives of the Toronto Waterfront Revitalization Task Force, and acknowledges that the Landlord may require that the use and occupation of the Leased Property conforms with all policies and processes that City Council may adopt as a result of the Waterfront Revitalization, except where such use may be specifically exempted by City Council. The Board shall make a reasonable effort to provide the RAWF with written notice no less than one (1) year in advance of any developments pursuant to the Waterfront Revitalization Plan of which the Board has itself received notice and which will have a direct, substantial and adverse impact on the Premises and the business operations of the RAWF in the Premises in accordance with the proposed Lease;

- k) The RAWF acknowledges that if the Harbourfront LRT Extension project proceeds it will have an impact on the Exhibition Place grounds and that the RAWF shall not be entitled to any compensation with respect to any disruption caused by this project or any relocation of its outdoor animal pen areas.

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Submitted by:

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